

STATE OF CALIFORNIA  
May Revision Finance Letter - Cover Sheet  
DF-46 (REV 08/15)

Cal Year 2016-17	Business Unit 4265	Department California Department of Public Health	Priority No. 1
Budget Request Name 4265-427-BCP-DP-2016-MR		Program 4045 - PUBLIC AND ENVIRONMENTAL HEALTH	Subprogram 4045059 - ENVIRONMENTAL HEALTH

Budget Request Description


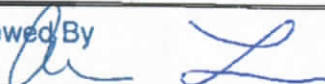


Centers for Disease Control and Prevention Foundation, Institute of Medicine: Health Consequences of Marijuana Study

Budget Request Summary

The California Department of Public Health (CDPH) requests \$500,000 in General Fund for fiscal year 2016-17 to help support a study analyzing the health risks associated with the use of marijuana. CDPH will participate in decision making regarding the direction and scope of the study organized by the Centers for Disease Control and Prevention (CDC) Foundation on the impacts of medical marijuana to provide information that can guide the state's regulatory process to ensure patient safety.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance. <input type="checkbox"/> FSR <input type="checkbox"/> SPR Project No. Date:		


If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No  
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By 	Date 5-12-16	Reviewed By 	Date 5/12/16
Department Director 	Date 5-12-16	Agency Secretary 	Date 5/12/16

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ CALSTARS ☐ Dept. of Technology

BCP Type: ☐ Policy ☐ Workload Budget per Government Code 13308.05

PPBA 	Date submitted to the Legislature 5/13/16
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**A. Budget Request Summary**

The California Department of Public Health (CDPH) requests \$500,000 General Fund for fiscal year help 2016-17 to support a study analyzing the health risks associated with the use of marijuana for medical and/or recreational purposes. CDPH will participate in decision making regarding the direction and scope of the study organized by the Centers for Disease Control and Prevention (CDC) Foundation on the impacts of medical marijuana to provide information that can guide the state's regulatory process to ensure patient safety.

**B. Background/History**

Marijuana is classified as a Schedule 1 drug by the U.S. Drug Enforcement Administration. Schedule I substances are defined as having high potential for abuse and no currently accepted medical use in treatment. Marijuana is the most commonly-used illicit drug, with 22.2 million past-month users according to a 2014 National Survey on Drug Use and Health.

Over the past 19 years, 40 states have legalized marijuana for medical or recreational use (four states have legalized retail marijuana sales, the District of Columbia has legalized possession, 23 states and the District of Columbia have legalized medical marijuana use, and 17 states have legalized cannabidiol use). Recent reports suggest there has been a doubling of marijuana use both in adults and adolescents over the past 15 years, with 30 percent of adult users meeting the criteria for a marijuana disorder.

The CDC and other federal and state public health agencies do not yet have a clear picture of how these changing patterns of marijuana use might impact youth and adult health. To date, there has not been a national-level systematic synthesis of available evidence on marijuana health effects comparable to those conducted for alcohol and tobacco. As a result, less is known about the health consequences of marijuana use than is known about other psycho-active drugs available for legal purchase, such as alcohol, caffeine and nicotine.

To address this need, the CDC Foundation has sought financial contributions from a variety of federal agencies, states, philanthropies, and a national nonprofit. This BCP would provide \$500,000 in one-time funding from California towards this effort for the Institute of Medicine (IOM) to perform a comprehensive review of existing scientific evidence about the health consequences of marijuana use. The IOM is a well-respected institution with a long history of generating reports and research agendas that have successfully helped advance both science and policy on a wide variety of issues.

The scientific review project is expected to focus on the following categories: 1) patterns of marijuana initiation and use among United States youth and adults, 2) potential and proven health risks of marijuana use, 3) potential therapeutic uses of marijuana, and 4) public health research gaps and recommendations. The project will include both medical and recreational marijuana usage and effects.

**C. State Level Considerations**

This proposal directly correlates with the 2014-2017 CDPH Strategic Map objective to "Drive the Policy Agenda" as well as the cross-cutting strategic priority to "Expand and Strengthen Collaborations and Partnerships".

**D. Justification**

Funding from the CDPH will allow the state to contribute to and participate in this study including supporting the report development and dissemination activities. The project will review existing research on the health effects of marijuana and identify scientific questions that still need to be answered about the consequences of marijuana use on public health outcomes, and how best to gather that information. It may help determine the level of cannabinoid in the blood that is considered safe,



which the State could utilize for the establishment of regulations for the sale of medical marijuana edibles pursuant to existing law. The research agenda will similarly provide recommendations for short and long term research priorities for both medical and recreational marijuana.

Below are the states that are contributing to the IOM study and the mechanisms in place for marijuana regulation.

#### Alaska

Recreational marijuana is legal for adults over age 21, up to one (1) ounce and adults may grow up to six (6) plants in their homes and possess any marijuana grown from their plants.

#### Arizona

Medical marijuana is legal with the possession and personal use of up to two and one half (2.5) ounces of marijuana in a 14-day period by patients with written certification from a physician to alleviate a variety of symptoms associated with conditions (and the treatment prescribed for these conditions) such as: cancer, glaucoma, AIDS, Crohn's disease, and Hepatitis. Home cultivation is limited to a qualifying patient that lives more than twenty-five miles from a designated dispensary to grow up to 12 marijuana plants within an enclosed and locked area.

#### Colorado

Recreational marijuana is legal for adults 21 years of age or older, up to one (1) ounce of marijuana. Home cultivation is allowed for up to six (6) plants total.

#### Oregon

Recreational marijuana is legal for adults 21 years old and individual cultivation is allowed up to four (4) plants on their property, possess up to eight (8) ounces of useable marijuana in their homes and up to one ounce (1) on their person.

#### Washington

Recreational marijuana is legal for adults over 21 years of age for up to one (1) ounce of useable marijuana, marijuana-related paraphernalia, 16 ounces of solid marijuana-infused product and 72 ounces of liquid marijuana-infused product. Home cultivation is prohibited.

### **E. Outcomes and Accountability**

The IOM of the National Academy of Sciences, Engineering and Medicine, will appoint an ad hoc Committee to develop a comprehensive, in-depth review of existing evidence regarding the health consequences of marijuana use. The Committee will consist of participants with a balanced perspective in terms of specialty, type of research or practice, and understanding of the issues including subject matter, public health, policy, and other experts.

The Committee will develop a consensus report summarizing what can be determined about the health consequences of marijuana use. In addition, the report will propose a research agenda identifying further research questions regarding the association of marijuana use with health outcomes that can be answered in the short-term (such as within a three-year time frame), as well as any steps that should be taken in the short-term to ensure that sufficient data are being gathered to answer long-term questions (e.g., appropriate surveys or other data capture to enable population-level morbidity and mortality effects estimates). The Committee will be asked to focus on the questions and consequences with the potential for the greatest public health impact, and should shed light on the characteristics of marijuana use that impact short and long-term health.

To maximize the benefit of the report development, the project will include broad dissemination and use of the report findings by key stakeholders in public health, healthcare and public policy. The study is expected to be completed in 2017.

**F. Analysis of All Feasible Alternatives**

**Alternative 1:** Approve \$500,000 General Fund on one-time basis to provide funding to the CDC Foundation for the IOM's research, report development, and dissemination activities on the health consequences of marijuana.

**Pros:**

- Will allow CDPH to be involved in setting research priorities for a study regarding the impacts of medical marijuana.
- Will provide data the CDPH can use for the establishment of regulations for the sale of medical marijuana edibles.

**Cons:**

- Will impact the General Fund.

**Alternative 2:** Approve \$250,000 General Fund in fiscal year 2016-17 and another \$250,000 General Fund in fiscal year 2017-18 for the IOM study.

**Pros:**

- Will allow CDPH to be involved in setting research priorities for a study on the impacts of medical marijuana use for a second year.
- General Fund expenditures will be spread over two fiscal years.

**Cons:**

- The CDPH may not be able to fully participate in setting research priorities for a study on the impacts of medical marijuana, and issues of importance to California may not be addressed.
- The study is expected to be completed in 2017. The second year of funding will likely be too late and will reduce California's role in helping shape the study.

**Alternative 3:** Do not approve \$500,000 from General Fund.

**Pros:**

- Will not impact General Fund.

**Cons:**

- Resources may not be available for the project to fully research the health impacts of marijuana use.
- California would not be able to capitalize on the information generated by this project to inform regulation development.

**G. Implementation Plan**

1. Indicate to IOM that funds have been proposed through the budget process. Complete in June 2016 upon enactment of the budget.
2. The IOM will appoint an ad hoc Committee to develop a comprehensive, in-depth review of existing evidence regarding health consequences of marijuana use. Expected completion by the IOM in September 2016.
3. The Committee will develop a consensus report summarizing what can be determined about the health consequences. Expected completion by the Committee in January 2017.

1. **Supplemental Information**

None

1. **Recommendation**

Approve Alternative 1: Approve \$500,000 General Fund to provide one-time funding to the CDC Foundation for the IOM's research, report development, and dissemination activities on the health consequences of marijuana.

# BCP Fiscal Detail Sheet

BCP Title: Marijuana Study

DP Name: 4265-427-BCP-DP-2016-MR

## Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Operating Expenses and Equipment						
54XX - Special Items of Expense	0	500	0	0	0	0
<b>Total Operating Expenses and Equipment</b>	<b>\$0</b>	<b>\$500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Budget Request</b>	<b>\$0</b>	<b>\$500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## Fund Summary

Fund Source - Local Assistance

0001 - General Fund

**Total Local Assistance Expenditures**

**Total All Funds**

	0	500	0	0	0	0
<b>Total Local Assistance Expenditures</b>	<b>\$0</b>	<b>\$500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total All Funds</b>	<b>\$0</b>	<b>\$500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## Program Summary

Program Funding

4045059 - Environmental Health

**Total All Programs**

	0	500	0	0	0	0
<b>Total All Programs</b>	<b>\$0</b>	<b>\$500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>